



**Gulf International Bank B.S.C.
Abu Dhabi Branch**

Basel III Pillar 3

**Risk Management and
Capital Adequacy**

For the year ended 31st March 2025



Risk management and capital adequacy report

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1. Overview of risk management, key prudential metrics and RWA

1.1 Key metrics

		Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	562,268	582,598	582,166	590,989	568,306
1a	Fully loaded ECL accounting model	562,268	582,598	579,734	588,557	565,874
2	Tier 1	562,268	582,598	582,166	590,989	568,306
2a	Fully loaded ECL accounting model Tier 1	562,268	582,598	579,734	588,557	565,874
3	Total capital	575,102	609,051	610,320	617,436	594,070
3a	Fully loaded ECL accounting model total capital	575,102	609,051	607,888	615,004	591,638
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	2,217,381	2,302,790	2,401,248	2,248,589	2,193,265
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	25.36%	25.30%	24.24%	26.28%	25.91%
5a	Fully loaded ECL accounting model CET1 (%)	25.36%	25.30%	24.14%	26.17%	25.80%
6	Tier 1 ratio (%)	25.36%	25.30%	24.24%	26.28%	25.91%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	25.36%	25.30%	24.14%	26.17%	25.80%
7	Total capital ratio (%)	25.94%	26.45%	25.42%	27.46%	27.09%
7a	Fully loaded ECL accounting model total capital ratio (%)	25.94%	26.45%	25.32%	27.35%	26.98%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank D-SIB additional requirements (%)	-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.5%	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements (%)	15.44%	15.95%	14.92%	16.96%	16.59%
	Leverage Ratio					
13	Total leverage ratio measure	3,292,372	3,712,792	3,832,274	3,591,434	3,101,099
14	Leverage ratio (%) (row 2/row 13)	17.08%	15.69%	15.19%	16.46%	18.33%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	17.08%	15.69%	15.13%	16.39%	18.25%
14b	Leverage ratio (%) (excluding the impact of any	17.08%	15.69%	15.19%	16.46%	18.33%
	ELAR					
21	Total HQLA	1,153,619	1,338,123	953,651	647,502	368,867
22	Total liabilities	2,351,442	2,741,192	2,935,923	2,709,044	2,216,037
23	Eligible Liquid Assets Ratio (ELAR) (%)	49.06%	48.82%	32.48%	23.90%	16.65%
	ASRR					
24	Total available stable funding	2,360,350	2,717,014	2,829,506	2,836,707	2,298,953
25	Total Advances	1,829,484	1,828,410	2,098,529	1,824,443	1,799,439
26	Advances to Stable Resources Ratio (%)	77.51%	67.29%	74.17%	64.32%	78.27%

1.2- Overview of risk management, key prudential metrics and RWA

Overview of RWA

		RWA		Minimum capital requirements
		Mar-25	Dec-24	Mar-24
1	Credit risk (excluding counterparty credit risk)	2,002,286	2,076,033	210,240
2	Of which: standardised approach (SA)	2,002,286	2,076,033	210,240
3				
4				
5				
6	Counterparty credit risk (CCR)	35,567	40,238	3,735
7	Of which: standardised approach for counterparty credit risk	35,567	40,238	3,735
8				
9				
10				
11				
12	Equity investments in funds - look-through approach	-	-	-
13	Equity investments in funds - mandate-based approach	-	-	-
14	Equity investments in funds - fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the banking book	-	-	-
17				
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	10,088	17,080	1059
21	Of which: standardised approach (SA)	10,088	17,080	1059
22				
23	Operational risk	169,439	169,439	17,791
24				
25				
26	Total (1+6+10+11+12+13+14+15+16+20+23)	2,217,381	2,302,790	232,825

2- Leverage ratio

2.1- Leverage ratio common disclosure

		Mar-25	Dec-24
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	2,900,365	3,301,941
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	205	401
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	2,900,160	3,301,540
Derivative exposures			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,330	7,531
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	15,608	14,202
10	(Exempted CCP leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivative exposures (sum of rows 8 to 12)	26,514	30,425
Securities financing transactions			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	CCR exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	669,809	820,991
20	(Adjustments for conversion to credit equivalent amounts)	304,111	440,164
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	365,698	380,827
Capital and total exposures			
23	Tier 1 capital	562,268	582,598
24	Total exposures (sum of rows 7, 13, 18 and 22)	3,292,372	3,712,792
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	17.08%	15.69%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	17.08%	15.69%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	-	-

3- Liquidity

3.1- Eligible Liquid Assets Ratio

1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	870,316	
1.2	UAE Federal Government Bonds and Sukuks	283,303	
	Sub Total (1.1 to 1.2)	1,153,619	1,153,619
1.3	UAE local governments publicly traded debt securities	-	
1.4	UAE Public sector publicly traded debt securities	-	
	Sub total (1.3 to 1.4)	-	0
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	0
1.6	Total	1,153,619	1,153,619
2	Total liabilities		2,351,442
3	Eligible Liquid Assets Ratio (ELAR)		49.06%

3- Liquidity

3.2- Advances to Stables Resource Ratio

		Items	Amount
1		Computation of Advances	
	1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	1,299,853
	1.2	Lending to non-banking financial institutions	365,414
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	148,159
	1.4	Interbank Placements	16,058
	1.5	Total Advances	1,829,484
2		Calculation of Net Stable Ressources	
	2.1	Total capital + general provisions	592,330
		Deduct:	
	2.1.1	Goodwill and other intangible assets	-
	2.1.2	Fixed Assets	508
	2.1.3	Funds allocated to branches abroad	-
	2.1.5	Unquoted Investments	-
	2.1.6	Investment in subsidiaries, associates and affiliates	-
	2.1.7	Total deduction	508
	2.2	Net Free Capital Funds	591,822
	2.3	Other stable resources:	
	2.3.1	Funds from the head office	-
	2.3.2	Interbank deposits with remaining life of more than 6 months	-
	2.3.3	Refinancing of Housing Loans	-
	2.3.4	Borrowing from non-Banking Financial Institutions	84,281
	2.3.5	Customer Deposits	1,342,932
	2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	341,315
	2.3.7	Total other stable resources	1,768,528
	2.4	Total Stable Resources (2.2+2.3.7)	2,360,350
3		Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)	77.51